

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: W.R. GRACE & CO., et al., Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (JKF)
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**FEE AUDITOR'S FINAL REPORT REGARDING THE FEE APPLICATION
OF DUANE MORRIS LLP FOR THE THIRTY-THIRD INTERIM PERIOD**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Fee Application of Duane Morris LLP for the Thirty-Third Interim Period (the "Application").

BACKGROUND

1. Duane Morris LLP ("Duane Morris") was retained as co-counsel to the Official Committee of Unsecured Creditors. In the Application, Duane Morris seeks approval of fees totaling \$175,331.00 and expenses totaling \$4,115.23 for its services from April 1, 2009 through June 30, 2009 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2009, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, Issued January 30, 1996 (the "U.S. Trustee Guidelines"), as well as for consistency with precedent

established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. Based upon our review, we had questions for Duane Morris, which we e-mailed to Duane Morris, and we received a response from Duane Morris, portions of which response are quoted herein.

DISCUSSION

3. In our initial report, we noted the following expense for which more information was needed:

4/30/2009	Travel away from home	\$279.25
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We asked for an itemization of this expense, and Duane Morris responded: “We will forgo payment of this expense.” We appreciate Duane Morris’ response and recommend a reduction of \$279.25 in expenses.

CONCLUSION

4. Thus, we recommend approval of \$175,331.00 in fees and \$3,835.98 in expenses (\$4,115.23 minus \$279.25) for Duane Morris’ services for the Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: 


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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 18th of November, 2009.


Warren H. Smith

SERVICE LIST

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